REMARKS

A. Objection to Claims

In the Office Action of March 30, 2005, claims 1, 11 and 14 were objected to because of various informalities. In particular, claims 1, 11 and 14 were objected to for using the word "area" instead of "are." In view of the present amendment which changes the offending word to read as "are" the objection has been overcome and should be withdrawn.

Since the amendments of claims 1, 11 and 14 correct obvious typographical errors, the amendments are not being made for reasons related to patentability as defined in *Festo*Corporation v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd, 234 F.3d 558, 56 USPQ2d 1865

(Fed. Cir. 2000) (en banc), overruled in part, 535 U.S. 722 (2002).

Claim 13 was objected to because it was unclear whether the first base body and the second base body are made of the same material. Applicants traverse this objection in that the claim language is clear in meaning and there is support for the claim language in the specification. Accordingly, the claim is proper in form under 35 U.S.C. § 112 and so the objection has no merit and should be withdrawn. Note that the scope of the claim is such that the first base body <u>may</u> be made of the same material as the second base body or <u>may</u> be made of a different material.

B. <u>35 U.S.C. § 1</u>02

1. Claims 1-7 and 10

Claims 1-7 and 10 were rejected under 35 U.S.C. § 102(b) as being anticipated by Spies.

Claim 1 has been amended to clarify that the first set of magnetic elements are "each non-integral with respect to and arranged laterally next to said first non-magnetizable support" As

shown in the embodiment of FIG. 5 of Spies, the magnetic elements 63, 64, 73, 74 are not integral with base bodies 60, 70. This is shown by the lack of demarcation lines with respect to base body 70. This can only mean that the magnetic elements 73, 74 are integrally formed with the remaining material of the base body 70. Similarly, magnetic elements 63, 64 are integrally formed with the remaining material of the base body 60. Accordingly, the rejection has been overcome and should be withdrawn.

Besides not being anticipated by Spies, claim 1 is not rendered obvious by Spies since there is no suggestion to have magnetic elements 63, 64, 73 and 74 not be integrally formed with the base bodies 60, 70. Accordingly, claim 1 and its dependent claims are patentable over Spies.

2. Claims 11-13

Claims 11-13 were rejected under 35 U.S.C. § 102(b) as being anticipated by Spies.

Claim 11 has been amended to clarify that "each non-integral with respect to and arranged laterally next to said first non-magnetizable support." As shown in Section B.1, the magnetic elements magnetic elements 63, 64, 73, 74 are integrally formed with their corresponding base bodies 60, 70. Accordingly, the rejection has been overcome and should be withdrawn.

Besides not being anticipated by Spies, claim 11 is not rendered obvious by Spies since there is no suggestion to have magnetic elements 63, 64, 73 and 74 not be integrally formed with the base bodies 60, 70. Accordingly, claim 11 and its dependent claims are patentable over Spies.

3. Claims 14 and 15

Claims 14 and 15 were rejected under 35 U.S.C. § 102(b) as being anticipated by Spies.

Claim 14 has been amended to clarify that "each non-integral with respect to and arranged

laterally next to said first non-magnetizable support." As shown in Section B.1, the magnetic elements magnetic elements 63, 64, 73, 74 are integrally formed with their corresponding base bodies 60, 70. Accordingly, the rejection has been overcome and should be withdrawn.

Besides not being anticipated by Spies, claim 14 is not rendered obvious by Spies since there is no suggestion to have magnetic elements 63, 64, 73 and 74 not be integrally formed with the base bodies 60, 70. Accordingly, claim 14 and its dependent claims are patentable over Spies.

C. <u>35 U.S.C. § 103</u>

1. Spies and Schwabe

Claim 8 was rejected under 35 U.S.C § 103 as being obvious in view of Spies and Schwabe. Claim 8 depends indirectly on claim 1. Schwabe does not solve the deficiencies of Spies in that Schwabe does not suggest altering Spies so that the magnetic elements 63, 64, 73 and 74 are not integrally formed with the base bodies 60, 70. Without such suggestion, the rejection should be withdrawn.

2. Spies and Kitaori

Claim 9 was rejected under 35 U.S.C § 103 as being obvious in view of Spies and Kitaori. Claim 9 depends directly on claim 1. Kitaori does not solve the deficiencies of Spies in that Kitaori does not suggest altering Spies so that the magnetic elements 63, 64, 73 and 74 are not integrally formed with the base bodies 60, 70. Without such suggestion, the rejection should be withdrawn.

¹ It is noted that the rejection recites Kitaori while the argument makes mention of Noriyuki. For the sake of the present response, Applicants will assume Kitaori is correct. Applicants request clarification in the next Office Action.

C. New Claims 16-30

Claims 16-30 depend directly or indirectly on independent claims 1, 11 and 14 and so are patentable for at least the same reasons given above in Section B.

Note that claims 16-30 are being added to provide additional protection for the scale, method and position measuring system of claims 1, 11 and 14. Accordingly, the claims are being added for reasons not related to patentability as defined in *Festo*.

D. New Claims 31-42

Claims 31-42 are being added to provide additional protection for a scale, a method and a position measuring system. Accordingly, the claims are being added for reasons not related to patentability as defined in *Festo*.

CONCLUSION

In view of the arguments above, Applicant respectfully submits that all of the pending claims 1-42 are in condition for allowance and seek an early allowance thereof. If for any reason, the Examiner is unable to allow the application in the next Office Action and believes that an interview would be helpful to resolve any remaining issues, he is respectfully requested to contact the undersigned attorneys at (312) 321-4200.

Respectfully submitted,

John C. Freeman

Registration No. 34,483 Attorney for Applicants

BRINKS HOFER GILSON & LIONE P.O. Box 10395 Chicago, Illinois 60610 (312) 321-4200

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